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BILL



ANALYSIS

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House Bill 5605 (as introduced)

Committee: Appropriations

FY 2003-04 Year-to-Date Gross Appropriation	\$96,479,000
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Changes from FY 2003-04 Year-to-Date:

1. Emerald Ash Borer Control. Additional Federal funding to eradicate this exotic pest.	17,750,000
2. Animal Health Program. Additional Federal funding for bovine tuberculosis eradication efforts and Johnes's disease activities.	806,000
3. Agriculture Marketing Program Elimination. Eliminates \$50,000 in marketing grants and \$150,000 in personnel-related administrative costs.	(200,000)
4. Local Conservation Districts. Eliminates funding for training grants. Maintains base grant funding at \$20,000 per district.	(20,300)
5. Horse Racing Programs. Reduction in horse racing grants (15%) associated with revenue availability in the Agriculture Equine Industry Development Fund.	(1,117,000)
6. Human Resource Consolidation. Savings associated with statewide consolidation of human resource functions.	(19,600)
7. Oil-Overcharge Funding Shift. Elimination of private oil-overcharge settlement funds and replacement with restricted fee revenue from retail gasoline station inspections and oil and gas regulatory fund revenue.	(162,600)
8. Employee-Related Savings. Undesignated employee-related savings equating to 5% of salary and wage budget.	(1,858,300)
9. Economic Adjustments. Standard economic increases for FY 2004 and FY 2005.	5,004,800
10. Other Changes. Net restricted revenue adjustments totaling \$8,500 and information technology desktop adjustment of \$71,000.	79,500
Total Changes	20,162,500

FY 2004-05 Governor's Recommendation	\$116,641,500
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Changes from FY 2003-04 Year to Date:

1. **Standard Sections.** The Governor's budget contains the following standard sections: state spending (201), Management and Budget Act (202), definitions (203), civil service billing (204), Internet reporting (208), information technology work projects (220), contingency funds (225).
2. **Deleted Sections.** The Governor's budget deletes the following current-year sections: hiring freeze (205), privatization (207), deprived communities (210), restricted revenue carryforward authorization (211), grant notification (214), Compulsive Gaming Fund transfer (216), DIT user charge schedule (219), employee turnover savings (222), commodity committee per diems (301), statistical reporting service (303), restaurant inspection report (401), food borne illness report (402), public health grant transfer (403), pesticide applicator training (501), energy conservation program (601), Federal migrant housing funding (603), export marketing program (705), uncollected utility company fees (707), monthly simulcast report (801), reductions to horse racing grants (805), Michigan youth horse show earmark (808), limitation on Michigan State Fair expenditures (810), outstanding winning ticket revenue distribution (811), lease of Michigan State Fair grounds and facilities (812), year-end Agriculture Equine Industry Development Fund balance (813).
3. **Buy American.** The Governor's budget eliminates the preference for Michigan agricultural products (Sec. 226).
4. **Indemnification Payments.** The Governor's budget eliminates payments for livestock losses due to coyotes and wolves (Sec. 212).
5. **Contingency Funds.** The Governor's budget includes standard language for contingency funds (Sec. 225).
6. **Local Conservation Districts.** The Governor's budget modifies language to provide training grants with any excess funding after base grant distribution. Also, the language regarding competitive grants is eliminated (Sec. 604).

Date Completed: 2-20-04

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